

DRAFT MINUTES
Delaware Stadium Corporation
Board of Directors Meeting
Oct. 29, 2018

Board Members in Attendance

Tom McGonigle, Chairman
Steven C. Taylor
Michael Morton
Jeff Young
Kevin Kelley
John Casey
Romain Alexander
Bill Winters
Bud Freel
Mike Hare
Doug Denison

Staff

Joseph J. McDonald, Executive Director
Kevin A. Guerke, Counsel

Guests

Andrew Layman, Wilmington Blue Rocks

I. Call to Order

A quorum being present, Chairman McGonigle called the meeting to order at 5:03 p.m.

II. Executive Session

Mr. Morton moved to convene an executive session pursuant to *29 Del. Code § 10004*, seconded by Mr. Young. Specifically, Chairman McGonigle explained the need for executive session was to discuss an active litigation matter, an active transaction/negotiation involving the Wilmington Blue Rocks and the negotiation of contracts for work at the stadium. The motion unanimously carried.

Open session resumed at approximately 5:20 p.m.

Mr. Kelley moved to authorized Chairman McGonigle proceed with the execution of a landlord's lien waiver on behalf of DSC for the Blue Rocks related to the team's agreement with the Delaware Sustainable Energy Utility; seconded by Mr. Casey and unanimously carried.

Mr. Young moved to direct Chairman McGonigle, Mr. Taylor and Mr. McDonald to explore whether any additional insurance coverage for the DSC is necessary, appropriate and/or beneficial and to procure such additional coverage as they may determine appropriate and to take any legal action necessary to resolve outstanding issues; seconded by Mr. Kelley and unanimously carried.

III. Minutes of the Previous Meeting (April 16, 2018)

Chairman McGonigle introduced minutes from the previous meeting for consideration. Mr. Morton moved to accept the minutes as submitted, seconded by Mr. Kelley and unanimously carried.

IV. Blue Rocks Report

Mr. Layman reported that attendance was flat this season compared to 2017, with weather playing a significant factor. However, the team's Harry Potter promotional event was the most successful in recent years.

Mr. Layman reported that the extended backstop netting and LED field lighting were well-received by players and fans. The team is saving an estimated 10-20% on its electric bills as a result of the new lighting. To secure financing for the lights from the Delaware Sustainable Energy Utility, the team has proposed submitting the video board in left field as collateral. Next, the team plans to upgrade the video board in right field.

Mr. Layman reported that the team renewed its player development contract with Kansas City in September.

V. Executive Director Report

Mr. McDonald presented the latest DSC cash-on-hand figures, which reflect the receipt of funds from this year's Bond Bill.

Mr. McDonald reported that next year's schedule for community events has been prepared and includes 23 high school games, including DIAA playoff games in late May/early June. He proposed scheduling a board meeting to coincide with a playoff game so that members of the board may witness the enthusiasm and attendance generated. Favorable discussion ensued.

Mr. McDonald reported that the third annual Delaware Taco Festival was a success and generated a \$10,000 profit for the DSC. The inaugural Battle of the Bands college recruitment event featuring marching bands from Historically Black Colleges and Universities in the region was also a success and will likely return next year.

VI. 2019 DSC Budget

Mr. McDonald presented projected year-end figures for 2018 and made note of a significant increase in parking revenues above projections.

Mr. McDonald presented the draft 2019 budget for review. He noted that parking revenues continue to be estimated conservatively, since the agreements that generate this revenue are month-to-month. In total, the draft budget represents a surplus of \$66,684. Additional expenses compared to the current year included more funds for softballs to be distributed to youth leagues statewide. Favorable discussion ensued.

VII. DSC Surplus Funds

Chairman McGonigle cautioned against too much growth in the operating budget even though the DSC is now in a stable position with regard to its budgetary reserves, with current reserves equaling roughly one year of operating expenses. He further stated that the Board should now look to build up a reserve of capital funds as the stadium facility ages. Favorable discussion ensued.

Mr. Casey moved to approve the 2019 budget as drafted, seconded by Mr. Kelley and unanimously carried.

VIII. DelDOT Update/Report

Mr. McDonald reported that work in the Riverfront area is progressing; there are no items of note related to the DSC at this time.

IX. 2019 Board Composition

Mr. McDonald presented the current list of board members and vacancies, which include seats dedicated to the Delaware Economic Development Office, the City of Wilmington, New Castle County and Sussex County.

Mr. Denison noted that the seat previously held by a representative of DEDO should be delegated to the new Division of Small Business, which inherited many functions of DEDO by statute. Mr. Denison proposed that the director of the Division of Small Business be invited to serve in this capacity.

Mr. Hare moved to reassign the former DEDO board seat to the director of the Division of Small Business or designee, seconded by Mr. Morton and unanimously carried.

Chairman McGonigle advised members to take into account the need for diversity on the board when considering candidates to fill vacancies, and to look for potential new board members who could be appointed at the next meeting.

X. Board Member Comments

Mr. Taylor reported that he and Mr. McDonald recently attended a music festival in Bethlehem, Pa., that was hosted by a facility similar to Frawley Stadium. Mr. Taylor said the concept could be a good fit, with the right

combination of music acts and engagement with the Wilmington community, and it is worth continuing to explore the idea. Favorable discussion ensued.

XI. Adjournment

Mr. Morton moved to adjourn at 6:07 p.m., seconded by Mr. Kelley and unanimously carried.

Respectfully submitted,
Doug Denison